

August 21, 2003

Via Facsimile (410) 962-2985

The Honorable Susan K. Gauvey
United States Magistrate Judge
United States District Court
for the District of Maryland
101 West Lombard Street, Rm. 8D
Baltimore, Maryland 21201

Re: Lockwood v. Pacific USA, LTD., *et al*
Civil Action No. WMN-02-2068

Dear Judge Gauvey:

We are in receipt of Mr. Lopata's letter of yesterday containing his reflections on your comments and ruling made at the Settlement Conference on August 19, 2003.

Since it appears that Mr. Lopata is challenging the representations made at the conference on Mrs Saunders' and William Lockwood's present earnings, I will prepare and have them both execute affidavits to be delivered to your chambers by Monday.

Paul Bekman and I attended the conference because we are both going to be trying this case. Both of us attended the prior settlement conference on March 10, 2003, before Judge Bredar.

Very truly yours,

Michael P. Smith

MPS/jc

cc: Edward J. Lopata, Esquire (Via Facsimile)